

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

LOYALTY CONVERSION SYSTEMS  
CORPORATION

Plaintiff,

v.

AMERICAN AIRLINES, INC., ET AL.

Defendants.

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Case No. 2:13-CV-655-JRG  
(LEAD CASE)

**Jury Trial Demanded**

**JOINT CLAIM CONSTRUCTION AND PREHEARING STATEMENT**

Pursuant to P.R. 4-3 and the Court’s Amended Docket Control Order (Dkt. No. 40), Loyalty Conversion Systems Corporation (“Loyalty Conversion” or “Plaintiff”) and Defendants American Airlines, Inc., Delta Air Lines Inc., Frontier Airlines, Inc., Hawaiian Airlines, Inc., JetBlue Airways Corp., Southwest Airlines Co., Spirit Airlines, Inc., United Airlines, Inc., and US Airways, Inc. (collectively, “Defendants”) file this Joint Claim Construction and Prehearing Statement.

At issue in this case are United States Patent No. 8,313,023 (the “’023 Patent”), and United States Patent No. 8,551,550 (the “’550 Patent”) (together, the “Patents”).

**A. P.R. 4-3(a): Undisputed Claim Terms, Phrases, or Clauses**

With respect to claim 1 of the ’550 Patent, the parties agree that “a computer” and “the computer” refer to the same element. The Parties do not thereby propose a construction of “computer.”

With respect to claims 31 and 39 of the ’023 Patent and claim 1 of the ’550 Patent, the parties agree that “non-negotiable credits” means “credits accepted by the issuing entity but not by the commerce partner.”

**B. P.R. 4-3(b): Proposed Constructions of Disputed Claim Terms, Phrases, or Clauses**

Exhibit A includes Plaintiff's and Defendants' proposed constructions for the disputed claim terms, phrases, or clauses pursuant to Local Patent Rule 4-3(b). The Parties request construction of these claim terms, phrases, or clauses by the Court. Exhibit A also includes the intrinsic and extrinsic evidence that the Parties may rely on in support of their respective proposed constructions.

**C. P.R. 4-3(c): Anticipated Length Of Claim Construction Hearing**

The Parties anticipate a claim construction hearing of 2-3 hours, including Defendants' allegations of indefiniteness.

**D. P.R. 4-3(d): Witnesses To Be Called At The Claim Construction Hearing**

The Parties agree that neither side will call any witnesses at the claim construction hearing.

**E. P.R. 4-3(e): Issues For A Prehearing Conference**

The Parties agree that there are no other issues that need to be taken up at a prehearing conference prior to the claim construction hearing.

Dated: June 10, 2014

Respectfully submitted,

By: /s/ Max Ciccarelli

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### **CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this motion was served on all counsel, who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed. R. Civ. P. 5(d) and Local Rule CV-5(d) and (e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of the foregoing by email, on this the 10<sup>th</sup> day of June 2014.

/s/ Andrew G. DiNovo  
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